

THE DEPARTMENT OF CORRECTIONS AND REHABILITATION

I. SUMMARY

From the 1940s through the 1970s California was the model of an efficient correctional system. Over the last 25 years the size and needs of the system have grown but the organizational model has remained the same. Since 1980, the number of inmates has increased 554 percent and the number of adult correctional institutions has nearly tripled from 12 to 32. Today, California has the second largest state adult correctional system in the United States with 164,000 inmates (Texas has 167,000 inmates).¹ The state also detains 3,500 wards and monitors 114,000 adult and juvenile parolees, resulting in a total of more than 300,000 cases across the system.² Yet the State still operates a system in which heads of individual correctional institutions have almost complete control over operations. This might have made sense for a small system with a few prisons, but today it is essential to have a unified management structure that improves accountability, eliminates duplication, generates leverage and shares best practices across the entire organization.

To develop a plan for reforming California's correctional system, the Corrections Independent Review Panel was established in February 2004. The Panel, headed by former Governor George Deukmejian and staffed by senior law enforcement and corrections experts, undertook an extensive investigation of the current system and its problems before proposing a series of changes. Over the course of four months, the Panel interviewed members of the current correctional system, met with policymakers, consulted experts, and reviewed numerous reports on California's correctional system. In its report, the Panel gave highest priority to the reorganization of California's Youth and Adult Correctional Agency, writing:

*The system's organizational structure has not kept pace with the massive growth in inmate population or with the vast geographical spread of the institutions.*³

In line with the Panel's recommendation to restructure the current system, the following pages outline a comprehensive reorganization of corrections in California. It is aimed at establishing a basis from which to deliver significant performance improvement. The reorganization has two central elements.

First, the Secretary for the newly established Department of Corrections and Rehabilitation will have authority over all activities in the Department. Line managers will continue to have day-to-day authority over operations within their areas, but will be accountable to the Secretary for their performance.

Second, common functions will be shared and consolidated in the Office of the Secretary. These functions will include research and planning, risk management, information technology, human

¹ Bureau of Justice Statistics, Prisoners under the jurisdiction of State authorities, December 2003.

² CDC and CYA data, December 29 2004, State of California.

³ *Reforming California's Youth and Adult Correctional System*, Independent Review Panel, 2004, available at <http://www.report.cpr.ca.gov/indrpt/corr/index.htm>.

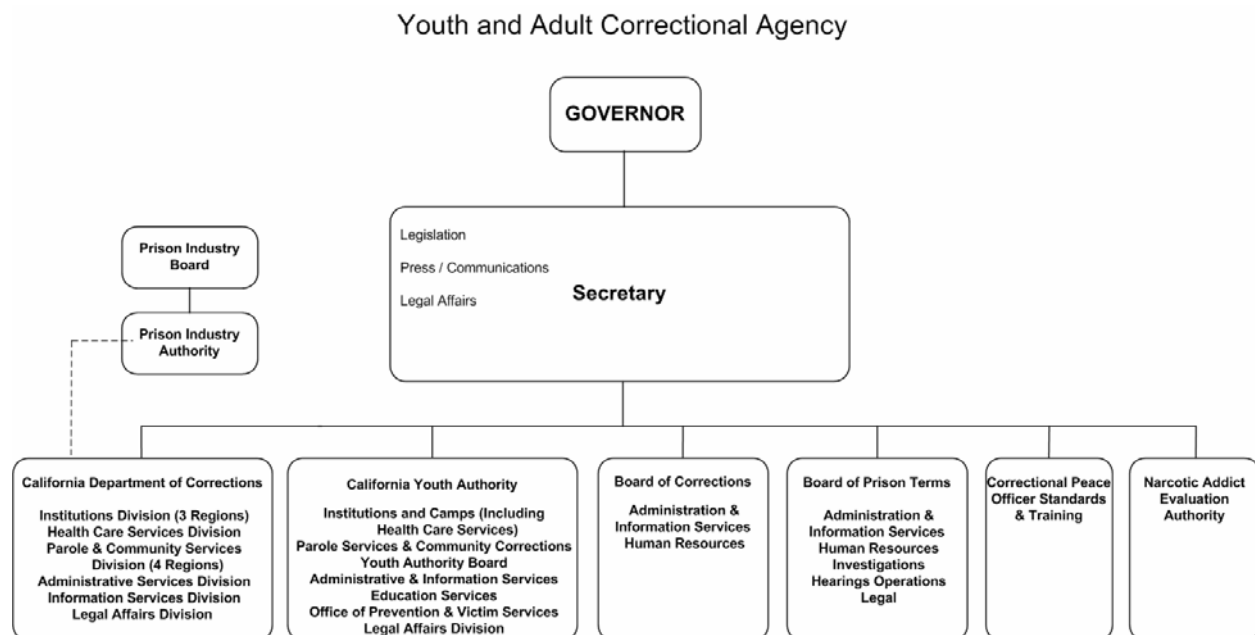
resource training and development, internal affairs, labor relations, facilities management, finance and procurement.

Restructuring will establish clear lines of reporting, accountability and responsibility and performance assessment that will improve services, reduce the likelihood of repeat offenses and eliminate abuses within the current system. It will centralize services and activities to remove duplication and leverage the scale of the Department's \$6 billion spending authority, thus reducing the cost of operations. The reorganization will deliver a safer society at less cost to the people of California.

II. EXISTING ORGANIZATIONAL STRUCTURE

California's correctional system is made up of the Youth and Adult Correctional Agency (YACA) and seven departments, boards and commissions, the most critical being: the Department of Corrections, California Youth Authority, Youth Authority Board, Board of Corrections, Board of Prison Terms and the Narcotic Addict Evaluation Authority.

The Youth and Adult Correctional Agency was created in 1980. It is led by an Agency Secretary who reports to the Governor and has oversight responsibilities but has no direct operational authority over YACA's departments, boards and commissions. The Agency Secretary has a staff of 28.⁴



The Department of Corrections manages the state's adult prison and parole systems. It operates 32 prisons and 38 camps with approximately 164,000 inmates and supervises another 110,000 adult parolees. The Department has approximately 45,200 employees.⁵

⁴ YACA Personnel.

⁵ State Personnel Board as of 30 June 2004.

The California Youth Authority manages the youth facilities and parole system. It operates eight facilities and three conservation camps housing approximately 4,200 wards and supervises another 4,200 parolees. The Department has approximately 3,800 employees.⁶

The Youth Authority Board renders parole decisions on wards committed to the California Youth Authority. The Board is within the California Youth Authority and has six members, including the Director of the California Youth Authority, who serves as an *ex officio* member of the board. The remaining members are gubernatorial appointees.

The Board of Corrections is responsible for development and enforcement of standards for the construction and operation of county and city jails and juvenile halls, and for standard-setting and training of county and city corrections officers. It also administers grants and other funding programs for construction and operation of county and city corrections programs and gathers and reports information regarding county and city jails and juvenile correctional facilities. The board consists of 15 members, including the Secretary of the Youth and Adult Correctional Agency (who serves as its chairperson), the Director of the Department of Corrections, and the Director of the California Youth Authority.

The Board of Prison Terms conducts parole hearings for inmates sentenced to life terms and conducts parole revocation hearings for all parolees alleged to have violated parole terms and conditions. The board also conducts hearings involving sexually violent predators and mentally disordered offenders and reviews requests for reconsideration of good-time credit denials, to set parole length, and to process foreign prisoner transfer requests. The Board is comprised of nine commissioners appointed by the Governor.

The Narcotic Addict Evaluation Authority determines suitability for release of individuals committed into the “civil addict” program — a treatment program for adult offenders whom the court believes would be best served through this alternative to prison. The program currently serves approximately 1,500 civil addicts who are housed at the California Rehabilitation Center and an additional 2,200 parolees. The Narcotic Addict Evaluation Authority is composed of seven members appointed by the Governor.

III. THE CASE FOR REORGANIZATION

The current organization structure, focused around individual operating units, has weakened responsibility and accountability across the system, leading to costly duplication and failure to leverage scale. The following examples illustrate these problems, providing the impetus for organizational change.

The consequence of weakened responsibility and accountability

Under the current system, the Secretary reports to the Governor, but he does not have the actual power to change the operations of the Department of Corrections and the California Youth

⁶ Ibid.

Authority that administer the correctional institutions. As a result, the Governor cannot truly hold the Secretary accountable for the performance of the correctional system or enact major reforms in the way prisons are administered. Nor can the Secretary dismiss a warden of an institution. Currently the system's 32 wardens and eight superintendents do not report directly into the Secretary. Each warden employs different standards and different operating procedures. This decentralized framework, along with Senate confirmation of wardens, has helped create a system of operational silos with little accountability or sharing of best practices outside the facility walls.

Currently, many administrative functions are duplicated throughout both the Department of Corrections and the California Youth Authority. Often component entities of the existing departments duplicate other functions or organizational units elsewhere within a department. For example, the Department of Corrections has a legislative office located within the Field Operations section of the Parole Operations Branch within the Parole and Community Services Division. In Support Services, there is also a legislative liaison office. The California Youth Authority has its own legislative offices, as does the Youth and Adult Correctional Agency. In terms of institutional operations, the Department of Corrections regional entities each have separate health care services and parole services operational entities. There are four layers of organizational hierarchy between institutional operations and the director's office. In addition, there is no central legal services office within the agency. Each department and board has its own legal counsel and staff attorneys.

This lack of accountability and responsibility from the Secretary across the organization has also exacerbated failures in line management and officer roles. The Corrections Independent Review Panel noted,

*Layers of bureaucracy between managers and functions blur lines of responsibility. Accountability is conspicuously absent . . .*⁷

This is also evident in recent failures of responsibility in the care of wards within the California Youth Authority. A recent audit by the Office of the Inspector General found 9 percent of wards at 5 audited facilities spent 23 hours a day in their cells. This was not solely for disciplinary reasons. For example, at the Herman G. Stark Youth Correction Facility in Chino, 103 wards were confined because there were not enough teachers to run educational classes.⁸

In addition, evidence of the current structure's failure can be found in the rate at which adult inmates re-offend after being released from prison. Forty-three percent are likely to be back in prison within one year of their release and more than 60 percent will be back within three years.⁹ This is 3 in every 5 prisoners and speaks to a failure of the system to take responsibility and accountability for the rehabilitation of offenders and provide the training, counseling and support needed to prevent re-offending.

⁷ State of California, *Reforming Corrections: Report of the Corrections Independent Review Panel*, June 2004, p. 1.

⁸ California Office of the Inspector General, "Accountability Audit: Review of Audits of the California Youth Authority 2000-2003," January 2005, <http://www.oig.ca.gov/pdf/AccountabilityAudit-CYA.pdf>.

⁹ Department of Corrections, Policy and Evaluation Research, March 8, 2004.

Inmate incidents have also been on the rise.¹⁰ In 1993 there were 6,200 incidents across the adult corrections system, a rate of 5.7 per 100 inmates. However in 2003 the number of incidents had almost doubled to 12,000 and inmates were 40 percent more likely to be involved in an incident, with a rate of 8.0 per 100.¹¹ Again, this is indicative of a lack of accountability for safeguarding the prison population on the part of the corrections system.

The consequences of duplication and failure to leverage scale

California spends more than \$6 billion on correctional and rehabilitation services every year. The very size of the amount spent provides the state with an opportunity to leverage scale. Scale allows the state to negotiate better rates and contract terms in the procurement of goods and services. Scale also allows the state to reduce the cost of fixed assets by making a one time purchase and using the same good or service across the state, so sharing the costs widely and not paying for duplicative systems. Sharing common assets and improving procurement will both leverage scale and reduce costs, creating a more productive state government.

Information Technology: Currently, each correctional institution has its own information technology team. There is little consultation or coordination between different institutions on IT initiatives and systems are either not jointly developed or built to sufficient scale to be used by the entire system. For example, within the Department of Corrections there are more than 100 employees assigned to the Department's 32 institutions. However, they each report to their respective correctional institutions, not the Department's Information Systems Division. This impedes the sharing of best practices and development of new, cost-saving initiatives across the Department and makes the entire system vulnerable to security breaches.¹²

Consolidating and centralizing all information technology investments within one organization would ensure a consistent implementation of information technology policies and procedures. It would also allow for the prioritization of information technology needs and expenditures as well as the development of agency-wide solutions.

Health Services: The Department of Corrections and the California Youth Authority each maintain their own organizations for providing health services to inmates. These services include medical, dental, and mental health. The organizations are responsible for selecting services, managing contracts, and litigating disputes as to legally required care. Despite a two percent decrease in the prison population between 1999-2000 and 2002-2003, overall health care expenditures increased from \$566 million to \$879 million, and pharmaceutical expenditures increased by 111 percent.¹³ In 2002, California spent \$133 million on pharmaceuticals while Texas, which has roughly the same prison population, only spent \$36 million.¹⁴ The cost of health care in the U.S. is rising. However, the current fragmented organization does not allow the

¹⁰ Incidents include inmate-on-inmate assaults, inmate-on-staff assaults, controlled substance possession, weapons possession and attempted suicide.

¹¹ Department of Corrections, Offender Information Services from Inmate Incidents 2003, October 2004.

¹² Dan Marshall, Staff Information Systems Analyst, California Department of Corrections, San Quentin, California.

¹³ Office of the Inspector General, *Survey of Pharmaceutical Expenditures*, July 2003, p.3.

¹⁴ PowerPoint presentation provided by E.J. Pederson, President, University of Texas Medical Branch, Texas Department of Criminal Justice, *What is Correctional Managed Care?*, May 26, 2004.

State of California to effectively leverage its scale and deliver the economies that its spending merits.

Centralizing health care administration for all correctional institutions would allow the Department to take advantage of its scale in purchasing. It would also allow the Department to attract top talent and to spread best practices across the correctional system.

Recruitment: The Department of Corrections and the California Youth Authority each maintain their own recruitment and training schemes. However, this fragmented approach is not proving to be effective. Indeed the California Youth Authority has assigned no staff and allocated no budget to recruitment for 2004-05.¹⁵ This is despite the fact that more than 37percent of current employees are currently eligible for retirement.¹⁶ The Department of Corrections fares little better. It has actually allocated \$4.2 million for recruitment.¹⁷ However, it is still operating with a vacancy rate of nine percent and more than 26 percent of employees are currently eligible to retire.¹⁸

The proposed reorganization will create a central personnel and training office that will work to share best practices in attracting qualified new employees. Budgets and recruitment staff will be combined to deliver one clear image of opportunities to potential hires and bring recruitment expertise together in one place. The flatter overall organizational structure will also reduce the high demand for managers.

The reorganization will also eliminate the Commission on Correctional Peace Officers Standards and Training (CPOST), which has been an obstacle to effective training. CPOST was set up to ensure uniformity by approving training materials. In practice CPOST has often delayed needed training, rejecting training materials without clear guidance as to what changes are necessary. The Corrections Independent Review Panel observed, CPOST is "bureaucratic in its operations, and has become a hindrance to the training of state correctional peace officers."¹⁹

The reorganization will consolidate the different training academies used by the different departments into a single academy, reducing duplication and leveraging scale and creating a common body of knowledge for all officers. The standard setting functions of CPOST will be moved to the new Corrections Standards Authority.

The proposed reorganization is a vital first step. But it will not in itself accomplish an improvement in performance. Changing the organization will not in itself change the way it operates. What it will do is set the basis for reform. From here the new Department will be able to move to deliver changes in processes, policy, technology, capabilities, accountabilities and culture that will improve overall performance. This is a long journey. It will require significant investment of time and resources to secure the full performance improvements. However, the

¹⁵ CYA personnel department.

¹⁶ State personnel board as of 30 June 2004.

¹⁷ CDC personnel department.

¹⁸ State personnel board as of 30 June 2004.

¹⁹ *Reforming California's Youth and Adult Correctional System*, Independent Review Panel, 2004, available at <http://www.report.cpr.ca.gov/indrpt/corr/report/5.htm>.

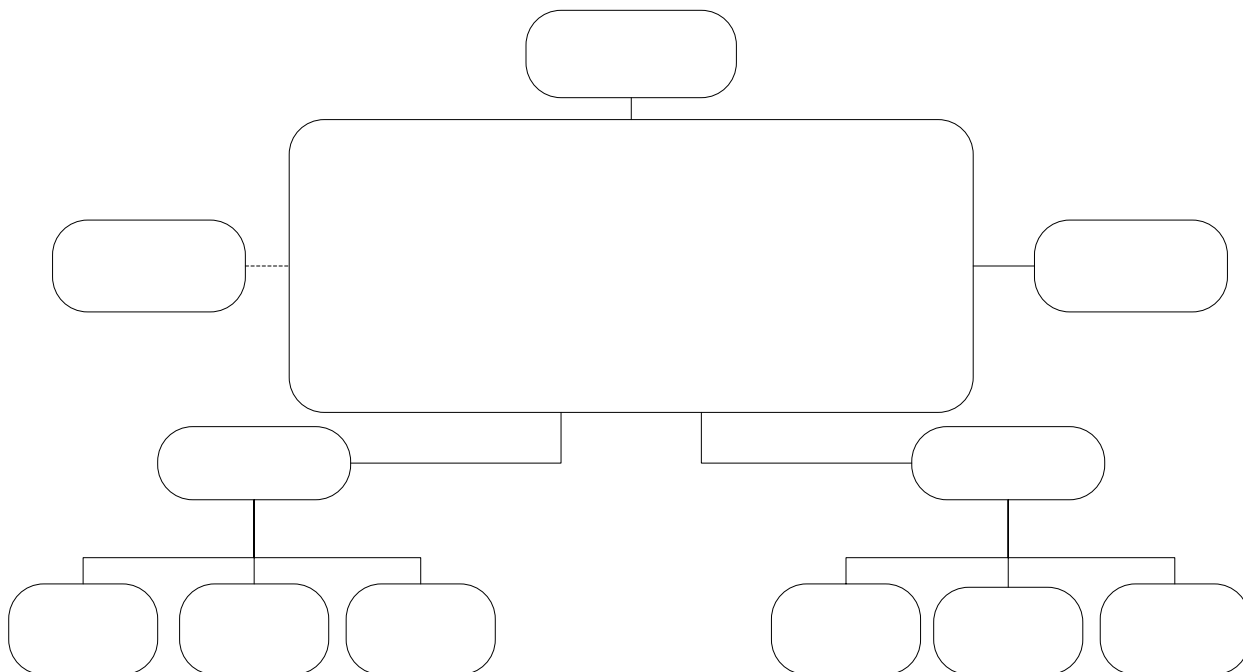
potential prize is significant: improved services to make life safer for the people of California and at a reduced cost.

IV. THE NEW ORGANIZATION

As a result of the reorganization, the Youth and Adult Correctional Agency will become the new Department of Corrections and Rehabilitation. The new department will have a flatter organizational structure and a clearly defined command structure to ensure that the top layer of management has a direct reporting relationship with every aspect of the organization's performance. This change is essential to integrate productivity improvements and best practices into line operations. Consolidation and centralization at the level of the Secretary will leverage scale, reduce duplication and ultimately reduce the cost of operations.

The proposed organizational structure of the new Department is depicted in the following organization chart:

DEPARTMENT OF CORRECTIONS AND REHABILITATION



The Office of the Secretary

Management Goal:

The Secretary will report directly to the Governor and serve as the primary point of accountability for the management of all correctional and rehabilitation programs. The Office of the Secretary will consolidate functions that cut across program areas to create a unified, enterprise-wide approach to policy and operations.

Functions:

The Secretary will fulfill all current Agency Secretary roles. In addition, the Secretary will advise and assist in the implementation of major policy and program matters and be the principal communication link between the Governor and the constituent units of the Department.

The Secretary is a cabinet-level position, appointed by the Governor and confirmed by the Senate.

Crosscutting and coordinating responsibilities will be consolidated in the Office of the Secretary.

These include:

1. Office of Legislation

The Office of Legislative Affairs will respond to information requests from the Legislature, analyze federal and state legislation affecting the Department, coordinate the development of Department-sponsored legislation and monitor legislatively mandated reports required of the Department.

2. Office of Public Affairs

The Office of Public Affairs will act as the Department's liaison to employees, the news media, community groups and other organizations.

3. Office of Legal Affairs

The Office of Legal Affairs will coordinate the Department's legal activities, provide the Secretary with legal counsel and review policy drafts.

4. Office of Internal Affairs

Investigations into allegations of serious misconduct by Department staff will be conducted by the Office of Internal Affairs to ensure uniformity and fairness in the investigative and discipline process. This Office will coordinate with the Office of Legal Affairs's attorneys who will serve as legal advocates on behalf of the Department in employee disciplinary matters. In addition, under the direction of the Office of Internal Affairs, an investigative team will be assigned to each of the regions in youth and adult operations to investigate serious use-of-force incidents or other serious allegations of staff misconduct at youth facilities and adult prisons.

5. Office of Victim and Survivor Services

The Office of Victim and Survivor Services will be responsible for all victim-related services previously provided by Departments and Boards under the Youth and Adult Correctional Agency. These responsibilities include, but are not limited to: training on victims' rights and issues, coordinating notification to victims of the release, death, or escape of an inmate or ward, notification to victims of parole consideration hearings and collection of restitution fines from inmates and for forwarding the funds to the Victim Compensation and Government Claims Board.

6. Office of Fair Employment Practices

The Office of Fair Employment Practices will be responsible for developing and implementing Department policy and strategies to prevent discrimination and retaliation in the workplace. The Office will also respond to complaints of discrimination and work cooperatively with the Equal Employment Opportunity Commission and the Department of Fair Employment and Housing.

7. Office of Administrative Services

The Office of Administrative Services will manage typical administrative functions, including human resources and training; financial management; business services; information technology; and physical plant construction and maintenance. Specifically:

The Human Resources Section will be responsible for staff selection and personnel management. Its high placement in the organizational structure underscores the vital importance of these functions to department goals. The Section will be responsible for recruitment, health and safety awareness programs, pre-employment screening examinations, background checks and other related duties. It will also develop and coordinate training throughout the Department, including core academies and in-service training. It will also provide management with succession planning to provide a path for employee career advancement.

The Financial and Physical Resources Section will be responsible for the financial accountability of departmental operations and for ensuring fiscal responsibility. As such, it will have responsibility for contract processing and procurement; budget and accounting management; and facility planning. It will use existing financial management systems and will develop additional systems as necessary to direct the development of the budget and monitor its compliance.

8. Office of Information Technology

The Office of Information Technology will centralize information technology policies and operations and bring about consistency and modernization in the Department's information technology capabilities. It will coordinate the Department's information technology functions, including customer support, project management and the development and maintenance of computer applications.

9. Office of Audits and Compliance

The Office of Audits and Compliance will be responsible for conducting internal audits at the direction of the Secretary to ensure that legal, administrative and operational policies and directives are properly implemented. The Office of Audits and Compliance will provide the Secretary with the ability to closely monitor the management and financial activities of the Department and provide the information needed to implement necessary corrective action.

10. Office of Labor Relations

This Office will act as the Department's representative on matters involving management authority and practices and on employee grievances related to union contracts. This includes responsibility of all labor relation matters delegated by the Department of Personnel Administration.

11. Office of Policy, Planning and Research

Filling a critical gap in the existing correctional system, the Office of Policy, Planning and Research will provide management with the research, data analysis, evaluation, and assessment necessary for effective planning and decision making. The Office will also develop policy for the Department and provide Department management with the ability to respond to changing conditions. This office is placed high in the organizational structure to emphasize the importance of this vital resource.

12. Office of Risk Management:

The Office of Risk Management adds a much-needed function to the correctional system by identifying practices, policies, and conditions that represent potential legal or fiscal risks to the Department. The Office will carry out this function in part by reviewing and analyzing performance reports from each region and making recommendations to alleviate risk. The Office will also identify trends in inmate/ward/parolee appeals and grievances to identify issues and patterns to be addressed. In addition, the Office will include a policy compliance unit to ensure that policies are followed.

The Corrections Standards Authority will report directly to the Secretary. The Divisions of Adult Operations, Youth Operations, and Parole Operations will report directly to the Secretary through a Chief Deputy Secretary. The following three additional divisions will report to the Secretary through a second Chief Deputy Secretary: Division of Community Partnerships; Division of Education, Vocations and Offender Programs; and the Division of Correctional Health Care Services. The Office of the Secretary will also provide administrative support to the independent Board of Parole Hearings, and ensure that it coordinates effectively with the Divisions of Adult Operations, Youth Operations and Parole Operations.

Board of Parole Hearings

Management Goal and Responsibilities:

The management goal of the Board of Parole Hearings is to promote public safety through parole processes and decisions that are fair. The reorganization will allow the Department to more closely link parole decisions with its rehabilitation programs. The Board will also promote efficiency and consistency in parole decisions by consolidating all parole decisions within the new Board. The Board of Prison Terms, Narcotic Addict Evaluation Authority and Youth Authority Board will be eliminated and their existing procedures and functions will be transferred to the Board of Parole Hearings.

Transferred Functions:

The Board of Prison Terms now functions as California's adult parole decision-making authority, which includes parole consideration hearings for all inmates sentenced to life terms with the possibility of parole. The Youth Authority Board is the decision-making authority for wards committed to the California Youth Authority. The Narcotic Addict Evaluation Authority evaluates whether certain drug offenders who were civilly committed to the Department of Corrections and are sufficiently recovered from addiction and are ready for release.

Under the proposed reorganization, these entities will be eliminated; however, their functions and procedures will be maintained and transferred to the new Board of Parole Hearings. The Board will be composed of 17 members appointed to staggered three-year terms by the Governor and confirmed by the Senate. The Executive Officer of the Board will be appointed by, and serve at the pleasure of, the Governor. The Board will conduct parole hearings, review related matters pertaining to inmates and wards, and will conduct studies to improve the parole system.

Corrections Standards Authority

The Corrections Standards Authority will assume the functions of the Board of Corrections and the Commission on Correctional Peace Officer Standards and Training (CPOST), both of which will be eliminated as a result of this reorganization plan.

The Board of Corrections works with officials in state and local corrections to coordinate efforts and to establish training standards for local correctional personnel. CPOST is responsible for developing, approving and monitoring selection and training standards for California's correctional peace officer apprentices, as well as the training standards for advanced rank-and-file and supervisory state correctional peace officers. The functions of CPOST to oversee peace officer apprenticeship programs and to encourage career-long education will also be transferred to the Corrections Standards Authority.

The following operational divisions will report to the Secretary through a Chief Deputy Secretary:

1. Division of Youth Operations

Management Goal and Responsibilities:

The goal of this Division will be to efficiently operate and manage youth facilities and to rehabilitate youthful offenders. The Division will be more effective at achieving these goals because it will allow the Secretary to implement reforms throughout youth facilities.

Transferred Functions:

The Division will provide for the secure custody of wards, while providing the environment for carrying out its statutory mission of providing training, treatment, and rehabilitative services designed to protect public safety by returning wards to society better equipped to lead law-abiding lives. These functions will be transferred from the California Youth Authority.

2. Division of Adult Operations

Management Goal and Responsibilities:

The management goal of this Division will be to effectively operate and manage adult correctional institutions to confine and rehabilitate offenders.

The Division will have overall responsibility for the line operations at each of the facilities that house inmates. It is important to note, however, that although prison wardens will continue to serve at the institution level, the degree to which these institutional supervisors operate autonomously will change significantly. In the first place, the new Department installs a streamlined chain of command that flows directly to the Secretary. Secondly, many of the responsibilities for programs formerly delegated to wardens, such as health care, risk management, and personnel services, will no longer be handled at the institutional level. Health care, education, and vocational training will be provided by the Division of Services and Programs. These changes will allow the wardens to focus their efforts to inmate supervision. Because the wardens no longer have such broad program responsibility, their appointments will no longer be subject to Senate confirmation.

The Division will enhance the ability of the Department of Corrections and Rehabilitation to fulfill its institutional management responsibilities by placing all institutions under a common leadership. All correctional institutions will be under the ultimate authority of the Secretary. The Division will oversee all adult prison operations and hold line managers accountable for preparing inmates for eventual return to the community.

Transferred Functions:

The Division of Adult Operations will provide for the secure custody of inmates, while providing the environment for effective programming to improve success upon release on parole. These functions are now carried out within the Department of Corrections.

3. Division of Parole Operations

Management Goal and Responsibilities:

The Office of Parole Operations will supervise inmates and wards who are released on parole, and will help parolees successfully reintegrate into their communities. The economies of scale brought about by this consolidation of parole services will allow more effective focus on reentry programs for the youth and adult parolees, while recognizing the unique needs of each population.

Transferred Functions:

The parole functions of the Department of Corrections and the California Youth Authority will be transferred to this Division.

The following operational divisions will report to the Secretary through another Chief Deputy Secretary and relevant functions will be transferred from the Department of Corrections and the California Youth Authority:

1. Division of Health Care Services

Management Goal and Responsibilities:

The Division of Health Care Services will oversee the efficient delivery of quality health and mental health care throughout the Department. The chain of command for medical personnel will be through this division.

2. Division of Education, Vocations and Offender Programs

Management Goal and Responsibilities:

The education, vocational and offender programs branch will house programs designed to enable offenders to successfully reintegrate into the community. This includes academic education, vocational training, substance abuse and counseling programs. The Prison Industry Authority will also be part of this division, integrating the Authority more closely with the rest of offender programs.

The Prison Industry Authority Board will be retained, but its functions will be changed. It will continue to hold public forums to review whether proposed changes by the Authority, such as establishing, expanding, scaling back, or eliminating industrial, agricultural and service enterprises: (1) will provide diversified work activities and (2) will not displace private industry.²⁰

3. Division of Community Partnerships

Management Goal and Responsibilities:

The Division of Community Partnerships will establish, maintain and expand cooperative agreements with local law enforcement and community-based organizations and other entities that can aid in the rehabilitation and reintegration of inmates, wards and parolees.

V. CONCLUSION AND NEXT STEPS

The sheer size and complexity of the correctional system, the critical nature of its mission, and the severity of the current problems dictate the need for wholesale reform, and that reform should begin with the system's reorganization. While the restructuring alone will not produce the necessary reforms, it will serve as the foundation for cleaning up the prison system, reining in costs, curbing misconduct, holding correctional administrators accountable for the system's performance, and making communities safer by doing more to ensure that inmates and youth wards leave custody better prepared to function in society.

This proposed reorganization of the Youth and Adult Correctional Agency is a strong first step in making the state government more productive for the people of California. The reorganization will increase the responsibility and accountability of the current corrections system and reduce the cost of operations by removing duplication and leveraging California's scale. Based on best practice experiences in other states, eliminating duplication and leveraging scale could amount to significant savings in operational costs.

A program team will be established as part of the California Performance Review. This program team will consist of a small number of highly talented individuals committed to facilitating the reorganization of California state government. The program team will be available to work with the new Department of Corrections and Rehabilitation to provide consultation and advice to the Department's implementation team. Updates to the People of California, the Governor, and the Legislature on the progress of the reorganization will be provided on an on-going basis. The program team will also compile best practices and lessons learned from this reorganization to be used by other departments as they engage in their own reorganizations and productivity improvement initiatives.

²⁰ See Penal Code § 2808.